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Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

- 1. a. Whether there should be additional reimbursement for dates of service 03/08/01 extending through 06/15/01.
 - b. The request was received on 03/05/02.

II. EXHIBITS

- 1. Requestor, Exhibit 1:
 - a. TWCC 60 and Letter Requesting Dispute Resolution
 - b. UB-92s
 - c. EOBs
 - d. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
- 2. Per Rule 133.307 (g) (3), the Division forwarded a copy of the requestor's 14 day additional documentation to the insurance carrier on 05/07/02. Per Rule 133.307 (g) (4) or (5), the carrier representative signed for the copy on 05/10/02. The carrier did not respond to the additional documentation but there initial response was received on 03/06/02, and is reflected as Exhibit II in the Commission's case file.
- 3. Notice of Medical Dispute is reflected as Exhibit #3 of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Fax sheet dated 05/06/02 "No additional documentation. This is <u>Stop-Loss.</u>"

IV. FINDINGS

- 1. Based on Commission Rule 133.307(d) (1) (2), the only date (s) of service eligible for review are those commencing on 03/08/01 and extending through 06/15/01.
- 2. The carrier denied the services as M, Reduced to fair & reasonable. On a reaudit summary, dated 01/11/02, the reviewing company noted, "After re-reviewing of your Inpatient Rehabilitation claim, the recommended audit will stand; therefore, no additional recommendation at this time. Per the Acute Care Inpatient Hospital Fee Guideline (ACIHFG) rule 134.401 rehabilitative inpatient admissions are not covered by this guideline and shall be reimbursed at a Fair and Reasonable rate. (Reviewing company) Fair and Reasonable rate for Inpatient Rehabilitative is \$750.00 per day."

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3. Per the disputed services chart, the provider billed the carrier \$181,344.23 and the carrier paid \$75,408.50. The remaining amount in dispute is \$\$60,420.42.

V. RATIONALE

Medical Review Division's rationale:

Rule 134.401, Acute Care inpatient Hospital Fee Guideline, indicates in (a) (2) that, "Psychiatric and/or **rehabilitative** (bolded for emphasis) inpatient admissions are not covered by this guideline and shall be reimbursed at a fair and reasonable rate until the issuance of a fee guideline on these specific types of admissions."

Section 413.011 (b) of the Texas Labor Code states, "Guidelines for medical services must be fair and reasonable and designed to ensure the quality of medical care and to achieve effective medical cost control. The guidelines may not provide for payment of a fee in excess of the fees charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf. The Commission shall consider the increased security of payment afforded by this subtitle in establishing the fee guidelines." Section 413.011 (d) states, "The commission by rule shall establish medical policies relating to necessary treatments for injuries. Medical policies shall be designed to ensure the quality of medical care and to achieve effective medical cost control." Rule 133.305 (e) (1) (F) describes what should be submitted with the dispute request and states, "if the dispute involves treatment(s) and/or service(s) for which the Commission has not established a maximum allowable reimbursement, documentation that discusses, demonstrates, and justifies that the payment amount being sought is a fair and reasonable rate of reimbursement in accordance with \$133.1..."

The burden is on the provider to show that the amount of reimbursement requested is fair and reasonable. The provider has not provided any documentation to support that its charges are fair and reasonable. There is no evidence of amounts paid on behalf of managed care patients of inpatient rehabilitative facilities or on behalf of other non-workers' compensation patients with an equivalent standard of living to base any comparison on. Therefore, based on the evidence available for review, the Requestor has not established entitlement to additional reimbursement.

The above Findings and Decision are hereby issued this 25th day of July 2002.

Carolyn Ollar, RN, BA Medical Dispute Resolution Officer Medical Review Division CO/co

This document is signed under the authority delegated to me by Richard Reynolds, Executive Director, pursuant to the Texas Workers' Compensation Act, Texas Labor Code Sections 402.041 - 402.042 and re-delegated by Virginia May, Deputy Executive Director.